

3393 Copper Leaf Drive
San Jose, CA 95132
October 17, 2001

iBee Communications, Inc.
Comments On
3G Further Notice of Proposed Rule Making

Dockets 00-258, 95-18, 99-81

iBee Communications, Inc. thanks the Commission for the opportunity to comment on the options with respect to allocation of additional spectrum for 3G and other wireless services. As a very small business just beginning operations, iBee does not have the financial resources to participate in the Commission's BTA or larger spectrum auctions. We are much more interested, however, in the Unlicensed PCS band between 1910 and 1930MHz to be used on a very local basis.

iBee intends to provide moderate speed Internet Access to subscribers in low and moderate income neighborhoods in the United States. Our initial view of a network implementation calls for deployment of low mobility wireless units with coverage radius on the order of 2500 feet (about 0.5 miles). We would operate a low mobility wireless data network, using technology readily available from Japan coupled with Smart Antenna systems from Arraycom, Inc. of the USA. Similar systems providing mobile data service have been deployed in Japan by KDDI and in Taiwan by FITEL. Some information on these systems is available on the PHS MoU Group web site: <http://www.phsmou.or.jp/>. These systems currently provide data rates up to 128kbps which, due to the fact that all transmission is done digitally, provide internet access at rates perceived to be between 4 and 6 times as fast as typical 56K dial up over analog facilities.

iBee has a desire to introduce these data services to potential customers who otherwise would be unlikely to have any internet access beyond basic dial up. By using wireless technology, we would avoid the very high costs associated with "last mile", or last "half mile" in our case, wiring to residential locations. Providing the service over wireless infrastructure would allow us to easily add customers without high expense and will provide data services to segments of the population that have not particularly interested the major wired service carriers or any of the wireless carriers. We believe that a small-scale wireless system would allow us to cost effectively cover the last mile to reach our potential subscribers. Deployment of a wireless system based on proven technology that is widely available in Asia would provide our subscribers with service that they otherwise could not afford.

As iBee investigated alternative methods of obtaining spectrum to provide these services, we identified two possibilities. One of these would be to "lease" small amounts of bandwidth on a very limited geographic basis from carriers who hold PCS licenses. Our experience, in low income urban areas, which are technically included in large BTA or

MTA sized licenses, was that the license holders are unwilling to make spectrum available for these “low priced” services. The carriers are not interested in providing low priced services and they are also uninterested in leasing or other mechanisms that will yield relatively low revenue for them. The other current alternative, using ISM Unlicensed spectrum in the 2.4GHz band proved to be ineffective because of the success in that band of many 2.4GHz small devices such as cordless phones, wireless LANs, and future “Bluetooth” devices that create (or are likely to create) unsynchronized interference in the band making neighborhood systems impractical. Another alternative, which is addressed by this proceeding, would be to deploy a digital PCS system based on PHS technology (Japan Standard RCR28) to provide data services in the existing unlicensed PCS spectrum, though with some relaxation to the existing rules. Parts of the existing Unlicensed PCS rules, which include the provision for systems to be “coordinatable” will allow deployment of a neighborhood system with a lower probability of uncoordinated interference from point sources including Cordless Phones and future Bluetooth devices. As this provision will also maintain the guard band function of the Unlicensed PCS band, it seems that a minor relaxation in etiquette as well as a modest increase in allowable power level will allow for deployment of new services in a very local basis in Unlicensed PCS spectrum.

Many of the people living in the areas that we intend to cover with these systems have a desire to gain higher speed internet access but cannot afford the \$40 per month typically charged for DSL or Cable Modem service. By using wireless technology available from Asia, iBee Communications can provide this service to the population at more affordable costs since wireless will allow for very cost effective deployments covering subscribers in an entire neighborhood as opposed to wiring either twisted pair or coax cable to each subscriber.

iBee Communications supports the proposal in this Further Notice of Proposed Rule Making that will relax the etiquette requirements and modestly increase allowable power levels in the 1910 – 1930MHz band to allow us to deploy widely available, inexpensive equipment based on PHS technology into our markets at prices that subscribers could afford. Leaving the spectrum as unlicensed and leaving the requirement that systems be “coordinatable”, as required by the current Unlicensed PCS rules would allow for easy deployments while keeping the spectrum useful for community wide, “system level” applications.

Sincerely,

Toan Tran
President & CEO
iBee Communications, Inc.